

# DISC ANNUAL REPORT 2004



Division of Information Systems and Communications

# DIRECTOR'S MESSAGE

As the saying goes, "there's nothing more constant than change". The Division of Information Systems and Communications, also known as DISC, is an example of an organization in a continuous state of change as we strengthen and advance Information Technology throughout Kansas government.

DISC is committed to excellence in customer service, providing IT services and products that our customers need and want at the lowest cost possible. DISC is a fee-based organization best known for serving state government. However, our customers also include local governmental organizations such as city and county governments, education, health care, and law enforcement agencies throughout the state. Providing the best possible service to our consumers enables them to better serve the people of Kansas.

DISC has put substantial emphasis on creating budget efficiencies and lowering costs for our customers. Over the past two years DISC has saved \$3.6 million in operating costs in response to state budget constraints and the Governor's emphasis on creating efficiencies. During 2004 an Enterprise Application Rate was created that includes the state's enterprise applications (human resources, financial and budget), which will take effect in FY06. This restructuring will lower the KANWIN telecommunications fees from \$40 per connection to \$35, decrease the mainframe processing CPU rate from \$875 to \$525 per usage hour, and cut the DISC administrative fee from 5 percent to 2.5 percent. While there is more work to do, we have strived to bring fairness and openness into how fees are structured.

Perhaps one of our greatest achievements over this past year is the increased spirit of collaboration and cooperation that has developed among our community of users. Involving our customers in strategic areas of our operation has helped to create this environment. Agencies have shared resources, engaged in joint planning, and found additional ways in which the state can not only conserve our scarce resources but improve upon IT services that better serve Kansans. With participation from our customers we have built a stronger foundation that will serve all of state government more effectively.

This spirit of collaboration is also evident between the bureaus and functional areas within DISC as we work together to improve the way services are delivered. This undertaking involved consolidating tasks, sharing resources and streamlining operations. These efforts resulted in a number of money and time-saving initiatives as outlined in this report.

We continue to challenge ourselves to modernize and exploit advancements being made in the rapidly changing world of Information Technology for the betterment of Kansas. This past year has not only resulted in many accomplishments but a strong foundation has been built upon which we can help create a better future for all Kansans.

Respectfully submitted,



Denise Moore  
Director, Department of Information Systems & Communications  
Chief Information Technology Officer – Executive Branch

# THE DISC ORGANIZATION

DISC is comprised of six functional areas. These six areas work cooperatively to provide quality IT services and products to state and local government. The functional areas include the:

- Bureau Administrative Services — BAS
- Bureau Department of Administrative Systems — BDAS
- Bureau Information Systems — BIS
- Bureau of Customer Services — BOCS
- Bureau of Telecommunications — BOT
- Kansas Information Technology Office — KITO

## **BUREAU ADMINISTRATIVE SERVICES**

Administrative Services is the backbone of DISC business operation. This bureau provides human resource management, financial reporting for budgeting and rate setting, accounts receivable and payable, contract and service level agreement management, office support, business contingency/disaster recovery planning for all state agencies, and central mail services for the capitol complex. Administrative Services facilitates the business within DISC, emphasizing a customer-centric philosophy by creating new pricing methods and improved business procedures.

Together with the Bureau of Telecommunications, Administrative Services is implementing an automated workflow tracking and billing system. This system, the Kansas Information Resources Management System (KIRMS), includes a number of benefits:

- KIRMS will automate critical processes across bureaus and state agencies, replacing several manual and home-grown systems.
- KIRMS will improve cost allocation methods by providing an analysis of workflow and staffing.
- Information from KIRMS will assist in the realignment of rates and pricing methodologies to DISC customers.
- The ultimate benefit of KIRMS will be potential cost savings for the enterprise.

Administrative Services has joined forces with the Departments of Labor, Revenue and Health & Environment to merge mail functions and resources into a central operation. Work to obtain a single facility for a new central mail operation has begun. This cooperative effort will result in increased efficiencies. Sharing resource and facilities among agencies will also result in lower operational costs.

Administrative Services has developed an Enterprise Application Rate for the state's enterprise applications, (human resources, financial and budget) that will take effect in FY06. The enterprise application rate will more directly map expenses and income for those applications and, in turn, lower other DISC rates including telecommunications (KANWIN) and mainframe processing (CPU). The downward movement of KANWIN and CPU rates is expected to continue for the next two to three years. Older pricing methods tied to past technologies will be replaced by new pricing philosophies. In 2005 DISC will examine pricing schemas for KANWIN, data storage and central mail. This is just one of the ways in which DISC is changing to meet customer needs.

Through a thoughtful pricing analysis, Administrative Services was able to lower connectivity costs for the state's 172 criminal justice information system sites, saving financial resources for state and local units of government.

Administrative Services conducted successful negotiations with AT&T to resolve billing errors on telecommunications services. AT&T agreed to forgive \$570,000 in charges to state agencies. As a result of this effort closer relationships with state agencies and vendors were built, facilitating additional savings from other state contracts.

## BUREAU DEPARTMENT OF ADMINISTRATION SYSTEMS

The Bureau of Administration Systems is responsible for major statewide applications, SHaRP (human resources and payroll), STARS (financial), SetOff (debt recovery), and BMS (Budget Management System). Administration Systems also supports web development services for both the Department of Administration and the enterprise.

During 2004 work to enhance the STARS and SetOff systems continued. Examples of improved services to customers and more efficient processes include the following:

- Manual data entry for STARS was virtually eliminated. Transactions which were entered manually are now transmitted electronically; reducing both the cost and time spent submitting transactions.
- The STARS reporting subsystem was modified to give agencies the option of receiving electronic copies of STARS reports, reducing printing costs and paper handling.
- In preparation for re-platforming the Setoff application from its current legacy software to a lower cost solution, a data dictionary, high level specifications for the current daily processes and a relational database design were completed.
- The SetOff debt recovery application was modified to accept and process additional debts. During FY 2004 modifications to the system made it possible to process new debts resulting in the number of accounts increasing to 315,000 with debt collections totaling \$18.9 million, a 20% increase over FY03 and a 40% increase since FY02.

To keep the state's human resource and payroll system up to date and operating efficiently, the Bureau of Administration Systems completed several full system updates and numerous system modifications including the following:

- A storage area was created on the mainframe for various payroll reports, reducing costs associated with printing and storage and making it easier to locate documents.
- A new custom web page and table were created to support the Kansas Employee Preference Program implemented by the Governor.
- Employee Self Service password improvements were instituted, reducing the number of calls to the help desk.
- A new process to lock Employee Self Service profiles that have not changed passwords in over 90 days was automated. This effort has resulted in considerable time savings compared to the previous manual process.
- Preparations to upgrade SHARP to Version 8.9 have begun. This upgrade will increase functionality and enhance existing capabilities while keeping the application current.

Legislative Post Audit completed an extensive audit of SHaRP security practices during and after implementation of the last upgrade. This was a significant effort and the audit findings were positive.

An Internet and Web Development Services Unit was initiated at current DISC staffing levels. E-government has the potential to save both time and money while improving service to customers of Kansas State government. The Department has already begun to experience these efficiencies with an estimated annual savings of \$52,750 by providing information online via the Internet instead of hardcopy distribution. Another \$176,070 was saved by the availability of pay advices online via SHARP, giving employees real-time access to pay and HR-related information. Web-based applications can reduce operating costs, build bridges between various agency data silos, and help to create a more business friendly environment through real-time access to government services. The new unit will:

- Assist state agencies, boards and commissions that do not have the time and resources to devote to web development with the creation and implementation of e- government services.
- Facilitate e-government services to Kansas citizens via the web.
- Assist agencies in providing standardized interfaces and practices to facilitate the sharing of data and services across multiple systems.

## BUREAU INFORMATION SYSTEMS

Information Systems provides support for the state's mainframe-Z/OS and mid-range/UNIX platforms on a 24 by 7 basis and manages the primary state data and hosting center. UNIX platforms support client/server applications including the statewide human resource SHARP system and Revenue tax applications. The Z/OS platform provides computing services for the Departments of SRS, Labor, Transportation, Revenue and Administration. Data storage is provided for all computing platforms including personal computers and small servers.



A Mainframe Customer Advisory Group consisting of all major users of the mainframe continues to provide guidance and input on a variety of operational issues, including future technology directions.

A hosting center has been created that provides an environmentally controlled location where state agencies can place their computer equipment, reducing the need for the management of multiple data centers. Currently, Legislative Services, Labor, Revenue, and Corrections have equipment in the hosting center. Wildlife and Parks, Secretary of State and SRS are planning equipment moves into the center.

As an outgrowth of the last SHARP upgrade, a cross-functional working group was established to create and maintain common network and IT architectures for the Department of Administration. This group works with other divisions regarding implementation of new IT solutions so standards are observed, resulting in lower operational costs.

Migration from 32 bit to faster 64 bit processing was completed on both the Z/OS and UNIX platforms. Several hundred software products were upgraded to complete the migration providing:

- The latest technology architecture so DISC customers can take advantage of new releases of many software products and reduce the risk of maintenance expiration on older software products.
- Faster processing that enables DISC customers of these systems to provide more efficient services to their users.

New enhanced disaster recovery services were initiated at the State of Kansas Historical Society building in Topeka. This effort combines resources from several state entities and is designed to:

- Be a recovery center for critical State of Kansas applications complete with uninterrupted power supply and motor generator systems, raised floor and environmental equipment.
- Provide redundancy for the KANWIN data network.
- House the development and testing hardware environments for the SHaRP system. In the event Landon State Office Building is rendered unusable, the production SHaRP application can be recovered at the site in less time than ever before.



Working with Revenue, a project was completed to return the printing of Motor Vehicle Renewal Registration forms to Kansas state government saving the state an estimated \$400,000 each year.

- This project involved the acquisition and implementation of several new products to manipulate address information and redesign forms. Some of these products can be used for other mainframe printing work.
- In addition to the Revenue printing project, DISC has developed expertise in the data center print shop. As a result DISC is working with other agencies that previously outsourced their mainframe printing, leading to additional savings and increased efficiencies for the State of Kansas.

Working with Revenue and SRS, DISC is acquiring network attachable data storage for the data center that will be shared by multiple state agencies, eliminating duplication and redundancy of equipment and resources.

#### **BUREAU OF CUSTOMER SERVICES**

Customer Services provides support for the Department of Administration's server and desktop infrastructure. In conjunction with state IT security, Customer Service provides enterprise intrusion detection and prevention security services for the KANWIN network. The Small Agency Support section provides IT services for 41 agencies and licensing boards.

Customer Services is working closely with the IT BEST team to develop a statewide email directory to increase ease of communication between and among state agencies. Efforts include reducing the number of email systems and providing a shared services email platform for smaller agencies.

A major upgrade of the Department's desktop PCs, servers and email to a common platform of the current software release was completed. All users have the same interfaces, eliminating cross platform compatibility and support issues. Users may now exchange documents, email attachments and web information with uniform reliability and consistency.

Customer Services configured and deployed an enterprise computer intrusion prevention security system providing:

- Protection from computer attacks and assistance in identifying agency computers that have been compromised.
- Technical support and intrusion detection services to numerous agencies infected with viruses and exploits.



Customer Services sponsored numerous IT technical training classes at no cost to the user's agency, enhancing skills of IT staff in other agencies.

The Small Agency Support Group serves smaller agencies, boards and commissions, providing much needed technical assistance to those that do not have IT staff or IT staff who lack sufficient training. Last year the Small Agency Support Group's accomplishments included the following:

- Completed a project to protect all 41 small agencies/boards with firewalls, increasing the security and reliability of small agency networks resulting in decreased outages due to virus or other malicious intrusions.
- Established a small agency e-mail service providing over 200 users low-cost, reliable email services that they could not afford to maintain themselves.
- Provided Microsoft Assess and SQL development services to the Department of Administration and small agencies, enabling the replacement of numerous antiquated and unsupported IT applications with state of the art software.

#### **BUREAU OF TELECOMMUNICATIONS**

The Bureau of Telecommunications provides and manages telecommunication services for state agencies and local units of government including voice, data and video communications. Support for all telecommunication services and products are managed through the Network Control Center twenty-four hours a day, seven days a week.

In the past year, Telecommunications has strived to involve DISC customers in the technical planning of KANWIN and the acquisition process for various services.

- A KANWIN Technical Advisory Board and KANWIN Policy Board were formed this year to enable customers to participate in technical and policy issues associated with KANWIN.
- Customers were included on various study teams and procurement negotiating committees for telecommunications and statewide maintenance and service contracts, resulting in contracts and services that better meet everyone's needs.

Along with the Bureaus of Administrative Services and Information Systems, Telecommunications assisted the Secretary of State's office with the Help America Vote Act Computer Voter Registration (CVR) system by providing input to the technical telecommunications architecture for the project. DISC worked with Revenue to propose a plan to share existing telecommunications connectivity to each county. As a result, the CVR system can be implemented for less, providing additional funding support to local units of government.



The telecommunications infrastructure for the new Juvenile Corrections Center in Topeka was completed this year, enabling the facility to open as scheduled and meet their deadline for federal funding.



The data and voice telecommunications infrastructure for the Eisenhower State Office Building was completed (at a much lower cost than earlier proposals), facilitating Transportation's move to their new facility according to schedule. A new server was also installed so KDOT can monitor their switches and thereby reducing operational costs.

A telecommunications circuit aggregation project was implemented. This effort consolidated circuits and routers for many agencies statewide, resulting in direct annual savings to the affected agencies.

A collaborative arrangement with the Adjutant General's office and DISC was initiated to create efficiencies and share resources and expertise between the two entities. This may include sharing telecommunications bandwidth, infrastructure, and network management services. This would provide the Guard with a redundant network with 24x7 management staff and monitoring tools. This arrangement will result in substantial cost savings to the National Guard and the state, while providing greater bandwidth and higher availability.

Cost reductions were achieved for users of audio conferencing services through a new negotiated contract. Based on minutes of usage from the previous contract, state agencies will save approximately \$100,000 this coming year. In addition to the savings, state agencies should find it easier to use conferencing services which can result in a considerable savings in travel and employee time.

#### **KANSAS INFORMATION TECHNOLOGY OFFICE**

The current IT Governance structure in Kansas was created with Senate Bill 5 in 1998. The Kansas Information Technology Office (KITO) was established to support SB5. KITO is comprised of four functional areas providing services to the enterprise: Project Management, Geographical Information Systems (GIS), IT Architecture, and IT Security. All four areas support the three Chief Information Technology Officers and the Chief Information Technology Architect. A new function is being developed to focus on IT contract management efforts from an enterprise perspective and support a broader strategic sourcing process as described later in this report.

Close attention is being given to identifying and developing well-planned IT projects. Project Management staff are working to ensure that information about IT projects is provided to the Joint Committee on Information Technology in a timely manner. This expedites the awareness of upcoming IT projects and supports timely budgeting for projects.

This emphasis on proactive project management has had positive results. All agencies with active projects are now complying with project reporting guidelines. As a result, resources that were previously spent obtaining project status reports can be redirected to working with agencies to identify and address issues of concern, resulting in successful projects.



The Project Management office is providing more training to state agencies at a lower cost in a variety of project management areas leading to the following outcomes:

- Better trained staffs who can effectively manage projects to ensure the state's IT projects are delivered on time and within budget.
- State certification in Project Management Methodology.
- A pool of state certified project managers to successfully manage the state's multi-million dollar IT projects from start to successful completion.
- New CIOs are more informed about Senate Bill 5 and policies pertaining to IT projects due to project management orientation training.

The KITO office develops and publishes the Annual Summary of Agencies' 3-Year IT Management and Budget Plan, which is distributed on CD and the Internet significantly reducing the cost of printing.

GIS develops and maintains geographical information systems for multiple state agencies and local governments. The data provided by GIS aids in better decision making, increased efficiencies and cost reductions. Initiatives in 2004 include the following:

- Working with the asset management and service delivery BEST teams on usage and implementation of GIS applications, resulting in the development of a state property asset mapping application for buildings, leases, land and vehicles. This database facilitates efficiencies and improved decision making.
- The Kansas GIS office was one of three state offices selected to participate in the technical development of the National Map, a project of the United States Geological Survey. The Kansas GIS office collaborates with numerous groups around the state to gather local data for the National Map's Kansas view.
- The Data Access Center, housed at the University of Kansas, continues to play a vital role in GIS application development and geospatial data clearing house services. The central clearing house creates cost efficiencies by providing and housing data in one location.

During 2004 a proposal for an Enterprise IT Security Office was presented and favorably received by the Governor's Office and JCIT. This office will be responsible for statewide security planning and policy development, oversight and coordination of the security of the state's network, security training, and incident response and remediation. Phase I of the implementation plan for the security office included the following:

- Intrusion detection and prevention equipment is operational.
- Security standards have been approved and put into practice through the collaborative efforts of several state agencies, the Department of Administration's IT Security Committee, the IT Advisory Board and the State Security Council.
- A policy requiring all agencies to provide a security self-assessment went into effect.
- Working together with Customer Support, intrusion detection has prevented numerous viruses from becoming widespread in the enterprise.



An investment in an Enterprise IT Security Office is primarily justified by cost avoidance and the importance of maintaining continuity of the state's mission-critical business operations. Very significant costs have already been incurred by both the public and private sectors in order to protect against computer viruses and intrusion. In other states where such protection has not been successful, millions of dollars have been lost in productivity, computer and network downtime and in liability to customers for compromised data.



The IT Enterprise Architecture function within KITO has been enhanced with a clear mission to engage in long range IT planning, create and manage IT standards, communicate and manage a consistent IT direction for all state agencies, and oversight.

An IT Enterprise Architecture for the state offers opportunities to define enterprise standards and exceptions. This Enterprise Architecture can be developed in a Center of Excellence, an IT organization anywhere in the state system, where these methods are practiced and can be translated to fit the enterprise. Infrastructure tools, such as enterprise architecture can be mapped to management processes, helping to define boundaries, standards and exceptions.

The IT Enterprise Architecture has progressed in the areas of IT business and strategic planning, fostering better communications and planning for IT projects across the enterprise. This will also result in better utilization of state resources through initiatives such as the following:

- A pilot business modeling program is underway at the Kansas Water Office. This model will eventually be used throughout state government.
- Another pilot program will begin in criminal justice this year.

Involvement and input from Enterprise Architecture personnel will further reduce the risk of failed IT projects as a common vision and set of standards is adopted. It will also aid in data sharing and usage. Examples of progress include the following:

- Plans have been drawn to establish a working group to identify data sharing approaches and guidelines.
- A new grading/scorecard system has been developed for projects, agencies and Purchases to utilize.
- A target for IT Enterprise Architecture with specific milestones will be created. This will further ensure that IT projects are more closely monitored and benchmarked against IT architecture standards and goals.

# OTHER 2004 INITIATIVES

## Strategic Sourcing

An outcome of the Governor's budget for FY05 was the reduction of costs associated with certain areas of spending, including approximately \$11 million in IT spending. Of that amount DISC's share was \$1.6 million. Under the existing BEST efforts, all areas of government including Purchases, state agencies, Regents, K-12, and local government worked together to undertake a variety of initiatives to leverage purchasing power.

- A PC/desktop team was created. This team successfully negotiated significantly reduced pricing for PCs on standardized configurations.
- A contract management team was created to examine opportunities for aggregating purchases under one state contract, negotiating multi-agency contracts when possible, and employing aggressive contract negotiating. This has resulted in successful negotiations and savings on information processing software and services.
- Customer Services worked with the Regents, IT BEST contracts team and Division of Purchases on a Large Account Reseller contract for the purchase of IT software products. With a critical mass of purchasing increased and focused, the state is now saving financial resources on software purchasing.
- A cell phone team was created to bid a statewide cell phone contract in order to aggregate state purchasing of cell phones to reduce costs and increase flexibility.
- A security team was created to establish a security products contract to aggregate purchasing and facilitate consistency.
- A telecommunications team was created to evaluate new and existing contracts. Their work has resulted in lower rates for toll-free service, audio conferencing and other services. The reduction of long distance rates is currently being examined.
- Best practices for reviewing and paying telecommunication invoices, setting up services to ensure usage of contract rates, and terminating service to ensure all charges are removed were instituted.

A new vendor management process is being put into practice as a result of a cooperative effort with the Division of Purchases and an outgrowth of the Governor's BEST efforts. The PC/Desktop BEST Team was one such effort, bringing together individuals from IT and the Division of Purchases as well as representatives from the primary purchasing groups: K-12, the Regents institutions and state agencies. These efforts resulted in standardized configurations, better pricing, more informed purchasers, tracking of vendor performance and a united front to the vendor community. This was done without having to mandate anything but rather relied on a facilitative process that built on the ideas and input of state employees. Informed people will make the right decision. This innovative effort was replicated with other IT-related goods and services.

It is our goal during 2005 to sustain these coordinated buying efforts for IT-related goods and services. By developing an IT vendor management process and structure, cross-government cooperation becomes "a way of doing business" to realize savings through both purchased price and implementation costs. An important part of this process is communication so state agencies, schools and local units of government can take advantage of money-saving IT purchasing opportunities.

## Flexible Staffing

In an effort to develop an agile workforce to respond to changing technologies, DISC is initiating an effort to provide opportunities for employees to develop new skills and experience a greater variety of work while enhancing staff's contribution to DISC and the customers we serve. There are many possibilities for talent sharing between and among bureaus. Given the rapidly changing environment in which DISC operates, it is becoming increasingly important to have the flexibility to respond to our customers' needs quickly. Flexible staffing will assist us in providing the best possible IT products and services for our customers, and will aid in keeping our costs and rates as low as possible.

## Innovation

DISC will be researching and or introducing several new services and technologies in the coming year including:

- A wireless LAN (WLAN) infrastructure in the Capitol Complex that will enable multiple agencies to securely share a single wireless infrastructure.
- A Metropolitan Area Network (MAN) for Topeka KANWIN customers enabling KANWIN offices to connect at higher speeds.
- Moving the KANWIN cross-LATA backbone from the existing 40Mbps ATM circuits to 150Mbps protected optical service made available by KDOT as a result of their fiber contract with DTI/Lightcore. In addition to significantly increased bandwidth, it will be much more economical than the current implementation.
- Offering cable connectivity to KANWIN sites as a way to reduce circuit costs for many KANWIN customers.
- Installing Free Space Optics (FSO), whereby data is transmitted over high speed lasers instead of circuits as another way to provide high speed connectivity without monthly circuit charges.
- Research and planning Voice over Internet Protocol (VoIP) to replace and augment traditional voice services will take place this year with deployment planned for the following year.
- Continuing to develop new pricing strategies to recover expenses on current technologies and introduce new pricing methods on leading edge technologies.

## Customer Involvement

2004 has been a year of change, but also one of collaboration and cooperation. An Information Technology Management Council (ITMC) was established in late 2003 as part of an ongoing initiative to provide more customer ownership and involvement in charting the course for the use of technology in cabinet agencies. In 2004, cabinet CIO's have continued to meet on a monthly basis to discuss services, issues, and new directions for technology.

Each week an executive council made up of the CIO's of the agencies with the six largest expenditures on technology meets to chart the agenda for the larger group and explore new initiatives and opportunities. These meetings have resulted in a wide variety of accomplishments, from coordinating the use of dark fiber for network redundancy for the state as a whole, to the establishment of a wireless center of excellence. The group has provided a critical sounding board for new policies and approaches, and continues to be an active influence in many new initiatives outlined in this document.

At the foundation of effective state IT management is the professional exchange and sharing of information. There is an enormous body of IT expertise in the state. By working together, IT decisions and practices in the state will:

- Better reflect the business strategies of the state while maintaining focus on the needs of the agencies.
- Support greater standardization, consolidation and collaboration by looking at IT future directions from a statewide view resulting in financial savings, reduced overhead and improved services.
- Enable economies of scale by coordinating requirements across agencies so that the state can execute collective or volume purchasing.
- Advance the sharing of resources for statewide and cross-agency projects through collaborative planning and support.
- Support a customer-centric view of information so organizational data can be shared across functional areas.

**State of Kansas**

**Division of Information Systems and Communications**

**(785) 296-3343**

**<http://da.state.ks.us/disc/>**



**Governor Kathleen Sebelius**